

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



United States Department
of Agriculture

Office of Public Affairs
Washington, D.C. 20250

News Releases and other News Material

Number 8293

August 6 - August 10, 1993

IN THIS ISSUE:

REMARKS-

Prepared for Delivery by Secretary of Agriculture Mike Espy, News Conference
on the August Crop Production Report

NEWS RELEASES-

0674	Espy Releases \$285 Million In Water And Sewer Funds	4
0675	USDA Proposes To Allow Additional Fruit and Vegetable Imports	4
0676	FGIS Proposes Changing Protein Reference Method	4
0677	License Granted To Produce New "Broth" For Salmonella Tests	5
0678	USDA Awards \$5 Million In Grants And Doctoral Fellowships	6
0680	Arrests Begin In North Carolina Food Stamp Trafficking Case	7
0681	USDA Seeks To Change Upland Cotton User Marketing Certificate Program	7
0682	USDA Releases Sweetener Market Data Report For May 1993	8
0685	Espy Names Counties In Three States Eligible For Emergency Loans	8
0686	Bacterial Gene Could Help Detect Colon Cancer	9
0687	Espy Say Not-Ready-To-Eat Meat And Poultry To Have Care & Handling Labels	9
0690	408 Counties In Eight States Eligible For USDA Emergency Loans	10
0693	Bee Fungus Leads To New Control For Honeybee Diseases	11
0694	USDA Releases First Survey-Based 1993 Crop Production Estimates	12
0696	Espy Announces Sites For Field Forums On Farm Income And Agricultural Policy	13
0697	Deadline On 0/92 Extended For Producers Suffering From Weather Disasters	13

PROGRAM ANNOUNCEMENTS-

0683	USDA Announces Prevailing World Market Rice Prices, Marketing Certificate Rates	14
0689	USDA Suspends Producer Assessment For 1993-Crop Wisconsin Cigar Tobacco	14
0691	USDA Announces Producer Assessment For Ohio Cigar Tobacco	15
0695	USDA Announces Prevailing World Market Price And User Marketing Certificate Payment Rates For Upland Cotton	15

USDA
NAT'L AGRIC. LIBRARY
AUG 7 1993
CURRENT SERIALS
BRANCH

USDA news releases are available by fax the same day they are issued. For information on how to use USDA'S **Ag News F A X** service, use your fax machine's touchtone dialing to call (202) 690-3944. At the voice prompt, press 9 on the phone and then press the start button on your fax machine. Instructions for using the service will be faxed to you.

For further information about this booklet contact Charles Hobbs, editor, News Division, Office of Public Affairs, Room 406-A, U.S Department of Agriculture, Washington, D.C. 20250 or call (202) 720-4026.

Release No. 0692.93
Steve Kinsella (202) 720-4623

Remarks-

Prepared for Delivery by
Secretary of Agriculture Mike Espy
at the News Conference on the August Crop Production Report
Washington, DC

August 11, 1993

Introduction

The combination of disastrous flooding and excess rain in the Midwest -- and devastating drought and insufficient rain in the Southeast -- has made 1993 a difficult year for agriculture. Pictures of the destruction visited upon individuals and upon whole communities are everywhere -- in our newspapers in the morning, and on our TVs at night. Today's crop report is a different kind of picture. It is a national snapshot -- a business snapshot -- comprised of projections and comparisons, bushels and acres.

NASS August Report

The August Crop Production Report of USDA's National Agricultural Statistics Service is the best assessment yet of prospective acreage and yields. It is based on over 20,000 survey contacts made in nine states between July 19 and August 4 -- the largest survey ever conducted for a USDA monthly crop report. It's twice the size of the normal survey for an August report.

Numbers

Before we get to the numbers, I want to make a few observations. First, the numbers we are putting out today are consistent with those we have estimated in the past.

The numbers indicate the significant localized disruption in lives and economies in the disaster-affected areas. But for the nation as a whole, the aggregate effect is crop losses that won't significantly disrupt our markets and that won't impact on food prices too much. The estimates reveal the immense diversity of agriculture in America. Floods in some regions, drought in others, and abundant crops in still others.

And let me add one more point before I discuss the numbers. As with all surveys, this is simply a snapshot in time. Factors such as continued heavy rain, frost, disease, insect problems, and even improved conditions can all impact future numbers. That's why I want to assure you that we will continue to closely monitor production.

The August crop report indicates that there were 7.1 million acres of corn and soybeans lost either due to acreage not getting planted -- or getting planted, but then lost to flooding. Based on the difference between production estimates in USDA's June supply and demand report and today's report, the drop in corn production is 1.1 billion bushels or 13 percent. The drop in soybean production is 143 million bushels or 7 percent.

It is important to note that the acreage lost is less than the total acreage affected by the rains or the drought -- which includes acres that will have reduced yields as well as acres that are wiped out.

USDA's crop condition data for August 1 show nearly 23 million acres of soybeans, corn, and cotton were in poor to very poor condition.

Drought has hurt crop prospects in the Southeast. As of August 1, 2.8 million acres of soybeans, corn, and cotton were in poor shape in the states of North Carolina, South Carolina, Alabama, and Georgia.

The value of the corn and soybean production lost due to floods, excessive rain, and drought is about \$ 2.5 billion.

Impact on Markets

Smaller crops will mean higher prices for other crops harvested this fall compared with our early summer price forecasts for the 1993 crop. Corn prices are expected to be up 30 cents a bushel while soybean prices are expected to be 80 cents higher.

The reduced corn and soybean production forecasts will not leave this country with dangerously low stocks. There's 2 billion bushels held over in corn stocks from 1992. Feed grain stocks are ample. Moreover, higher corn and soybean prices will cause lower domestic use and exports, particularly for soybeans, where supplies are tighter.

Impact on Food Prices

As always, the complex economics of agriculture will create winners and losers, but it looks like consumers will be affected only slightly. The vagaries of nature are not going to result in a significantly higher food bill for consumers.

Food prices have been increasing at a rate of only about 2 percent so far this year. While today's report will raise the cost of producing meat, the increases will be modest and meat supplies are large - 2 percent greater than last year. Our analysts continue to project the CPI for food for all of 1993 will rise 2 to 3 percent, the same as last month's forecast. That incidental-ly is likely to be below the CPI for all items. So agriculture, despite flood and drought will continue to benefit the U.S. consumer.

Government Response

Disasters of this magnitude make it imperative for government to respond; and it is responding.

-- A \$5.8 billion disaster assistance bill will be signed into law by President Clinton tomorrow. Nearly half of that will fund USDA programs. I might add that today's report indicates that there will be a reduction in deficiency payments of 1.3 billion dollars, a major savings over previous budget estimates.

In addition to the disaster package:

-- USDA has increased flexibility in its farm programs: extending sign-up or reporting dates; maintaining the zero percent acreage reduction factor in the 1994 wheat programs; and adjusting the payment rate for haying and grazing of Conservation Reserve Program land.

-- I immediately held a Crop Insurance Roundtable which included representatives of all aspects of the crop insurance system. I wanted to get their input as we began the process of developing a reformed crop insurance program that would work and would provide immediate assistance in disaster circumstances.

-- As you may know, the President has set aside \$2 million in the disaster relief package through the Commission on National Service for youth service corps involved in flood clean-up. USDA looks forward to working closely with these groups in such tasks as delivering emergency food or helping restore watersheds.

-- USDA has supplied nearly \$9 million in emergency food stamps and food to people in the flood area.

-- FEMA has received over 60,000 registrations for disaster assistance.

I have great pride in the outstanding work our USDA employees have been doing in response to these conditions. I have tremendous praise for the groups that have been working together with them. And I have a promise that even after the cameras leave -- even after the waters recede-- USDA will still be there.

I want to repeat another promise -- a pledge I made in Texas this weekend --that within two weeks of submitting their applications for payment for total loss and prevented planting-- within 2 weeks of filing that paperwork --farmers will have USDA checks in their hands. When I first became Secretary of Agriculture, I said that we would be farmer-friendly -- and I meant it.

Conclusion

Again, let me repeat. As painful as the weather's impact is to the in-dividuals involved -- in the national macroeconomic sense, the U.S. agricul-tural economy will handle this disaster.

I recognize I am here today to brief you on the macroeconomics of agriculture, but we must not forget those who are more concerned about their local econo-mies. Because I have been to the Midwest extensively over the past month, I recognize that the macroeconomic view means very little to those who have lost their homes, their crops, and their businesses. Therefore, I am resolved to work closely with the communities, the States, and the counties to provide economic assistance to help them recover from this devastation.

So, assuming there's no further disaster in store, this is our snapshot of present conditions.



News Releases-

Release No. 0674.93

Jim Brownlee (202) 720-2091

Joe O'Neill (202) 720-4323

ESPY RELEASES \$285 MILLION IN WATER AND SEWER FUNDS

WASHINGTON, Aug. 9-- Secretary of Agriculture Mike Espy today announced the release of \$285 million in additional funding for water and sewer projects in rural communities.

The funds, \$250 million in loans and \$35 million in grants, were included in a supplemental appropriations bill passed by Congress and signed earlier by President Clinton.

"This will let us continue our efforts to bring safe drinking water and effective sewer systems to rural America," Espy said. "Americans living in 1993 should not have to live in homes without running water or indoor plumbing. We have made that a priority."

The new funds are in addition to \$635 million in loans and \$390 million in grants authorized in the regular fiscal year 1993 appropriations. The loan funds are being allocated by the U.S. Department of Agriculture's Rural Development Administration as follows:

- Northeast RDA Region, \$65,271,000 (Connecticut, Indiana, Maine, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virgin Islands).
- Mideast RDA Region, \$45,406,000 (Delaware, Kentucky, Maryland, North Carolina, Tennessee, Virginia, West Virginia).
- Southeast RDA Region, \$42,166,000 (Alabama, Florida, Georgia, South Carolina, Puerto Rico).
- Delta RDA Region, \$19,245,000 (Arkansas, Louisiana, Mississippi).
- Southwest RDA Region, \$19,665,000 (Arizona, New Mexico, Oklahoma, Texas).

- North Central RDA Region, \$39,646,000 (Colorado, Illinois, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Wisconsin, Wyoming).
- Western RDA Region, \$18,601,000 (Alaska, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington, former Western Pacific Island Territories).

RDA will distribute the grant funds on an as-needed basis. Priority will be given to \$3.5 million in grants to remote Native American communities with severe sanitation problems. RDA loans are available through FmHA local offices.



Release No. 0675.93

Doug Hendrix (301) 436-7799

Marci Hilt (202) 720-4026

USDA PROPOSES TO ALLOW ADDITIONAL FRUIT AND VEGETABLE IMPORTS

WASHINGTON, Aug. 9--The U.S. Department of Agriculture is proposing to allow some specialty-market fruits and vegetables to be imported into the United States from foreign countries.

"Most of the produce proposed for import would meet a small specialty-market need that is not being filled at present," said B. Glen Lee, deputy administrator for plant protection and quarantine with USDA's Animal and Plant Health Inspection Service.

Examples of the proposed new imports include bay leaf from Belize, basil from Chile, yam bean root from the Philippines, turmeric from Thailand, and an assortment of other specialty products from diverse points throughout the world.

"We are proposing this action based on sound evidence that these imports pose no significant pest risk to U.S. agriculture," Lee said. "As a condition of entry, the proposed imports would be subject to inspection, disinfection, or both, at the port of arrival."

Lee said commercial importers and foreign governments requested the change, which will offer a greater variety of produce to U.S. consumers.

A complete list of the proposed additions to the approved fruits and vegetables list is available from Peter Grosser, USDA, APHIS, PPQ, 635 Federal Building, Hyattsville, Md. 20782; telephone (301) 436-6799.

Notice of the proposal is scheduled for publication in the Aug. 10 Federal Register. Comments will be accepted if they are received on or before Sept. 25. An original and three copies of written comments referring to docket number 92-177-1 should be sent to Chief, Regulatory Analysis and Development, PPD, APHIS, USDA, Room 804 Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

Comments may be inspected at USDA, Room 1141-S, 14th and Independence Aves., S.W., Washington, D.C., between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays.



Release No. 0676.93

Dana Stewart (202) 720-5091

Charles Hobbs (202) 720-4026

FGIS PROPOSES CHANGING PROTEIN REFERENCE METHOD

WASHINGTON, Aug. 9--The U.S. Department of Agriculture's Federal Grain Inspection Service today proposed adopting the Combustion method as the official chemical reference method for determining protein content in both wheat and soybeans.

FGIS also proposed eliminating use of the Kjeldahl method, which currently is the primary reference method for official protein inspections.

FGIS's acting administrator David Galliard said that the Combustion method determines the protein content of U.S. wheat and soybeans more effectively than the Kjeldahl method.

Written comments must be submitted on or before Sept. 8, to George Wollam, FGIS, USDA, Room 0624 South Building, P.O. Box 96454, Washington, D.C. 20090-6454; or, automatic telecopier (202) 720-4628.

◆ ◆ ◆ ◆ ◆

Release No. 0677.93
Vince Mazzola (301) 344-2815
Carol Childers (202) 720-9120

LICENSE GRANTED TO PRODUCE NEW "BROTH" FOR SALMONELLA TESTS

WASHINGTON, Aug. 10--A Michigan firm has been licensed by the U.S. Department of Agriculture to produce a new growth medium for tests of salmonella bacteria taken from food samples.

USDA scientists who developed the medium, or growth broth, said it will increase the accuracy of current tests for this major cause of food poisoning.

An exclusive license was granted to Difco Inc. of Detroit by USDA's Agricultural Research Service. Difco will make the new medium available for collaborative tests by 10 independent laboratories starting this summer. "The tests will be conducted to determine the best ways to integrate the new medium into the standard procedures of food testing laboratories," said Judith S. Burnham, Difco's product manager.

Samples to be tested for salmonella are first incubated in the medium for 24 hours, said ARS microbiologists J. Stan Bailey and Nelson A. Cox. "This is necessary to revive bacteria injured but not killed in processing and to allow very small quantities of bacteria, undetectable by other methods, to multiply."

After the initial 24-hour incubation, portions from this first medium are cultured into other selective media to complete the testing. Food processors now use various first-stage or pre-enrichment media in the approximately seven million tests they run annually.

Bailey and Cox said laboratory tests of the new medium detected 7 percent more salmonella bacteria than growth media currently used by the food industry.

"At first glance, a 7 percent increase in sensitivity may seem low," they said. However, federal law requires that ready-to-eat meat products such as hot dogs and cold cuts have no salmonella bacteria when they leave the processing plant.

They developed the new medium in studies at ARS's Russell Research Center in Athens, Ga., combining protein, sugar and salts that the salmonella bacteria need to thrive on. Chemicals called buffers maintain a stable environment for bacteria growing in the broth.

In addition to cooked food, the medium is "ideal for use in tests of raw food and environmental surfaces" such as knives, cutting boards and other food processing equipment, said Bailey.

He said the new growth medium can also be used to check cooked meat samples and environmental surfaces for listeria--another food-poisoning bacterium. However, its main use would be as a "highly sensitive first step in detecting the presence of salmonella bacteria. Its capability to check raw meat for listeria pathogens has not been proven."

#

NOTE TO EDITORS: For details contact J. Stan Bailey, microbiologist, telephone (706) 546-3356, or Nelson A. Cox, microbiologist, telephone (706) 546-3484, Poultry Microbial Research Laboratory, Russell Agricultural Research Center, Agricultural Research Service, USDA, Athens, Ga.

◆ ◆ ◆ ◆ ◆

Release No. 0678.93
 Len Carey (202) 401-4268
 Charles Hobbs (202) 720-4026

USDA AWARDS \$5 MILLION IN GRANTS AND DOCTORAL FELLOWSHIPS

WASHINGTON, Aug. 10--The U.S. Department of Agriculture has awarded 31 grants totaling \$3.4 million to support doctoral fellowships in the food and agricultural sciences, John Patrick Jordan, administrator of USDA's Cooperative State Research Service, announced today.

Jordan said the grants are part of the USDA's Food and Agriculture Sciences National Needs Graduate Fellowship Program administered by USDA's Higher Education Programs. The grants will support the recruitment and three years of graduate education for 63 outstanding doctoral fellows at 18 institutions in 17 states, with an expectation that each university receiving one of the grants will fund a fourth year of education or research.

The National Needs Graduate Fellowships Grants Program is the only federal program that provides fellowships for graduate study in the food and agricultural sciences. The fellowships are given for work that will help meet the nation's critical needs for trained professionals and scientists in agriculture, and support important research in subjects vital to U.S. food and agriculture. Jordan said significant contributions to the Nation's future are being made by individuals who previously were National Needs Graduate Fellows. The grants this year, he said, were distributed almost evenly across the fields of plant biotechnology; water science; and agricultural, forest, food, or biological engineering.

The CSRS received 89 proposals for the grants, from 44 institutions across 37 states, and used science-based peer reviews to select the 31 proposals funded, Jordan said.

Following is a summary of the National Needs Graduate Fellowship Grants:

State	Institution	National Needs Area	Number of Fellows	Funding
CA	University of California,	Engineering	2	\$ 108,000
CA	University of California,	Engineering	2	108,000
CA	University of California,	Water Science	2	108,000
CA	Univ. of California,	Water Science	2	108,000
CO	Colorado State University	Water Science	2	108,000
FL	University of Florida	Water Science	2	108,000
FL	University of Florida	Engineering	2	108,000
IL	University of Illinois	Engineering	3	162,000
IA	Iowa State University	Biotechnology	3	162,000
MA	Worcester Polytechnic Inst.	Biotechnology	2	108,000
MI	Michigan State University	Biotechnology	2	108,000
MI	Michigan State University	Water Science	2	108,000
MN	University of Minnesota	Water Science	2	108,000
MN	University of Minnesota	Biotechnology	2	108,000
MN	University of Minnesota	Biotechnology	2	108,000
NE	University of Nebraska	Water Science	3	162,000
NE	University of Nebraska	Engineering	1	54,000
NJ	Rutgers University	Engineering	2	108,000
NY	Cornell University	Biotechnology	2	108,000
NY	Cornell University	Engineering	1	54,000
NY	Cornell University	Engineering	2	108,000
NC	North Carolina State Univ.	Biotechnology	2	108,000
NC	North Carolina State Univ.	Biotechnology	2	108,000
NC	North Carolina State Univ.	Water Sciences	2	82,520
OK	Oklahoma State University	Water Science	2	108,000
OR	Oregon State University	Engineering	2	108,000
OR	Oregon State University	Biotechnology	2	108,000
PA	Pennsylvania State University	Biotechnology	2	108,000

TX	Texas A&M University	Engineering	1	54,000
TX	Texas A&M University	Water Science	2	108,000
WI	University of Wisconsin	Engineering	3	162,000

TOTAL			63	\$3,376,520
-------	--	--	----	-------------

◆ ◆ ◆ ◆ ◆

Release No. 0680.93

Tom Martin (202) 720-4401

Brian Haaser (202) 720-6701

ARRESTS BEGIN IN NORTH CAROLINA FOOD STAMP TRAFFICKING CASE

WASHINGTON, Aug. 10 -- Police and federal agents in North Carolina today began arresting 42 individuals indicted last week by a federal grand jury in Charlotte for illegally buying and selling food stamps, U.S. Department of Agriculture officials said.

The indictments were sealed pending the joint federal and local police operation to arrest the defendants which began at 6 a.m. today, said USDA's Acting Inspector General Charles R. Gillum.

Gillum said the indictments and arrests are the result of a nine-month undercover food stamp fraud investigation, "Operation Hornet," which was conducted jointly by the Vice and Narcotics Bureau of the Charlotte Police Department, the Gastonia Police Department and agents of USDA's Inspector General's Office.

Gillum said "Operation Hornet" began in 1992 after USDA's Food and Nutrition Service and the U.S. Attorney's Office received complaints that USDA food stamps were being illegally bought and sold in and around Charlotte and Gastonia, N.C.

Food stamps may only be used by eligible recipients to buy food items at authorized retail stores. Any other use is illegal, Gillum said.

The undercover operation targeted retailers authorized to accept food stamps. During the investigation agents exchanged \$21,225 in food stamps for \$8,780 in cash and drugs. Those charged include 17 owners and employees of 17 retail grocery stores together with 25 others who exchanged cash and "crack" cocaine for food stamps.

◆ ◆ ◆ ◆ ◆

Release No. 0681.93

Bruce Merkle (202) 720-8206

Marci Hilt (202) 720-4026

USDA SEEKS TO CHANGE UPLAND COTTON USER MARKETING CERTIFICATE PROGRAM

WASHINGTON, Aug. 10--The U.S. Department of Agriculture's Commodity Credit Corporation is asking the public to comment on an interim rule that revises the formula for determining liquidated damages when cotton contracted for export under the user marketing certificate program is not shipped within the time frame established in the user agreement, a USDA official said today.

CCC is also requesting public comments on the user marketing certificate payment rate for U.S. upland cotton shipped under an optional origin contract, said Randy Weber, acting executive vice president of the CCC.

The current regulations do not sufficiently address all situations when cotton is not shipped within the time established by the user agreement, Weber said. In some situations, it is possible that the use of the current formula will not result in the assessment of liquidated damages, even though the cotton has not been shipped.

The revised regulations correct this situation, Weber said. In addition, he said, the proposed changes will eliminate the possibility of exporters locking in a payment rate on an optional origin contract and, if a higher payment rate occurs later, shipping foreign cotton on the lower rate and U.S. cotton on the higher rate.

Details of the proposal are scheduled to be published in the Aug. 12 Federal Register. Comments, which must be received by Sept. 13, should be sent to: Director, Fibers and Rice Analysis Division, USDA-ASCS, Room 3760-S, P.O. Box 2415, Washington, D.C. 20013-2415.



Release No. 0682.93
Robert Feist (202) 720-6789
Marci Hilt (202) 720-4026

USDA RELEASES SWEETENER MARKET DATA REPORT FOR MAY 1993

WASHINGTON, Aug. 10 -- The U.S. Department of Agriculture's Commodity Credit Corporation today released its Sweetener Market Data Report for May 1993.

Report totals, in short tons -- 2,000 pounds -- include:

-- May 1, 1993, beginning sugar stocks -- 3,718,803.

-- U.S. beet sugar production for May 1993 -- 177,957.

-- U.S. cane sugar production for May 1993 -- 98,401.

-- Deliveries for May 1993 -- 692,707, including deliveries for domestic human consumption -- 679,448.

-- May 31, 1993, ending sugar stocks -- 3,481,971.

Copies of the Aug. 5, 1993, Sweetener Market Data report for May data are available from the Sweeteners Analysis Division, ASCS/USDA, Room 3727-S, P.O. Box 2415, Washington, DC. 20013; telephone (202) 720-3391; FAX (202) 720-8261.



Release No. 0685.93
Steve Kinsella (202) 720-4323)

ESPY NAMES COUNTIES IN THREE STATES ELIGIBLE FOR EMERGENCY LOANS

WASHINGTON, Aug. 10--Secretary of Agriculture Mike Espy today named the states of South Carolina, Georgia and North Carolina as eligible for Farmers Home Administration emergency loans due to drought and record breaking heat.

"When you're a farmer there really isn't a lot of difference between having too much water on your crops or too little. It's the bottom line that counts, and that bottom line is income. A destroyed field, be it from water or drought, means reduced or in many cases no income and even a loss for producers," Espy said.

Farmers in all counties named eligible have eight months to apply for the loans to help cover part of their actual losses. To be eligible, they must have suffered a 30-percent loss of normal production, be able to repay the loan and any other loans, be unable to get credit elsewhere and have adequate security.

The emergency loans can be made for repairs to real estate, replacement of equipment, and for crop production, the latter to be repaid when the crop is sold. Eighty percent of the calculated loss can be loaned as long as it does not exceed \$500,000.

These loans are in addition to the president's \$5.8 billion disaster relief bill that recently passed Congress in which \$2.4 billion was earmarked for agriculture.



Release No. 0686.93

Marcie Gerrietts (309) 681-6534

Carol Childers (202) 720-9120

BACTERIAL GENE COULD HELP DETECT COLON CANCER

WASHINGTON, Aug. 11--A bacterium linked to colon cancer in humans could be detected rapidly in laboratory tests by using a gene cloned from the same bacterium found in cows and sheep, said U.S. Department of Agriculture scientists.

Chemist Terence B. Whitehead and microbiologist Michael A. Cotta cloned the gene from *Streptococcus bovis* that had been isolated from the rumen, one compartment of a cow's stomach. They were studying the gene because it is responsible for production of an enzyme that helps the cow's digestive system break down starch to simpler sugars.

Whitehead said the cloned gene will bind to DNA from other *S. bovis* such as in humans. That binding action could allow early detection of the bacterium's presence in the human colon as a possible indicator for colon cancer, he added. Recent medical studies have linked increased levels of *S. bovis* with colon cancer, the second leading cause of death among men and third among women.

Whitehead said the gene will not attach to DNA from other bacteria normally present in the human colon or rumen. That means the gene could be used as a diagnostic probe specifically for *S. bovis*. He and Cotta are seeking a patent on the cloned gene. They did the research at the National Center for Agricultural Utilization Research in Peoria, Ill., operated by USDA's Agricultural Research Service.

While the bacterium is rarely found in humans, Whitehead said, *S. bovis* has been identified as a cause of endocarditis, meningitis and septicemia. In ruminants, the bacterium has been identified as a probable cause of ruminal lactic acidosis and other gastric disorders.

#

NOTE TO EDITORS: For details contact Terence B. Whitehead, National Center for Agricultural Utilization Research, Agricultural Research Service, USDA, Peoria, Ill. 61614; telephone: (309) 681-6272.

◆ ◆ ◆ ◆ ◆

Release No. 0687.93

Steve Kinsella (202) 720-4623

Mary Dixon (202) 720-4623

ESPY SAYS NOT-READY-TO-EAT MEAT AND POULTRY TO HAVE CARE & HANDLING LABELS

WASHINGTON, Aug. 11 -- Secretary of Agriculture Mike Espy today said that all raw and partially-cooked meat and poultry products will soon have a label outlining care and handling instructions.

"When you and I go to the grocery store, we will see this new handling and cooking label on not-ready-to-eat meat and poultry packages. Through the new labeling effort, we hope to increase consumer awareness of safe food practices for controlling bacterial growth and that consumers will follow the safe handling instructions to protect themselves and family members from food-borne pathogens," said Espy.

"I want to make it clear, we are not relinquishing USDA from its responsibility of inspecting the nation's meat supply. USDA has an important responsibility as meat and poultry moves from the farm to the table. And we need to do much better than in the past. But I know it is also our responsibility to keep the consumer informed and to pass on to the consumer helpful information so they can protect themselves and their families."

Under the new USDA rule, manufacturers and retailers must label all not-ready-to-eat meat and poultry products. The care and handling instructions must accompany each product and must appear either on the principal display panel or the information panel of the product label.

The new labels that will appear on product in grocery stores required by USDA show four care and handling instructions and illustrations: 1) how to safely store and thaw raw products; 2) how to avoid cross-contamination; 3) cooking instructions; and 4) how to store leftovers.

Though today's announcement outlined an interim final rule, only comments that come in during the first 30 days of publication of the rule will be considered. However, the labels will be mandatory after 60 days.

"Our goal is to improve public awareness about the necessity of safe food handling," Espy said. "Until we have rapid tests to detect the presence of unseen harmful bacteria or vaccines to prevent the occurrence of bacteria in food animals, we must do everything we can to help inform consumers about proper preparation and storage of not-ready-to-eat meat and poultry."

Today's announcement marks another step by Espy to improve the meat and poultry inspection system at USDA.

On Feb. 5, Espy announced plans for a USDA pathogen reduction program for meat and poultry that included the mandating of safe-handling instructions on raw meat and poultry labels. He has also ordered special unannounced reviews of meat and poultry plants throughout the country.

Espy, who took office the same week the E. coli outbreak in the western states was reported to USDA, has said he is directing USDA "to reinvent and rethink every aspect of meat inspection."



Release No. 0690.93

Steve Kinsella (202)720-4623

Joe O'Neill (202) 720-4323

408 COUNTIES IN EIGHT STATES ELIGIBLE FOR USDA EMERGENCY LOANS

WASHINGTON, Aug. 11--Secretary of Agriculture Mike Espy has named 408 counties in eight states, including four entire states, as eligible for emergency farm loans from the U.S. Department of Agriculture's Farmers Home Administration as a result of crop losses caused by weather disasters.

In a series of actions Tuesday, Aug. 10, Espy made the following designations:

- The entire states of Delaware, Georgia, North Carolina and South Carolina--a total of 308 counties--for drought conditions;
- Sixty-eight counties in Nebraska, 13 counties in North Dakota and six counties in New York--a total of 87 counties--for excessive rain and flooding;
- Thirteen counties in Texas for a variety of adverse weather conditions.

The latest designations were in addition to almost 800 counties in nine midwestern states previously named as a result of spring and summer flooding.

Farmers in designated counties have eight months to apply for the loans, which can be used to replace physical losses such as barns or livestock or to make up for income lost as a result of crop production losses.

Physical loss loans can be made for up to \$500,000, and production loss loans can be made for 80 percent of the actual loss up to a maximum of \$500,000. The interest rate is 4.5 percent, and the term depends on the nature of the collateral.

The counties named in the states with partial designations are:

Nebraska -- Adams, Antelope, Banner, Boone, Box Butte, Buffalo, Burt, Butler, Cass, Chase, Cherry, Cheyenne, Clay, Colfax, Cuming, Custer, Dawes, Dawson, Deuel, Dodge, Douglas, Dundy, Fillmore, Franklin, Frontier, Gage, Garden, Gosper, Grant, Greeley, Hall, Hamilton, Harlan, Hayes, Hitchcock, Howard, Jefferson, Johnson, Kearney, Kimball, Lancaster, Lincoln, Madison, Merrick, Morrill, Nance, Nemaha, Nuckolls, Otoe, Pawnee, Perkins, Phelps, Pierce, Platte, Polk, Richardson, Saline, Sarpy, Saunders, Seward, Sheridan, Sherman, Stanton, Thayer, Washington, Wayne, Webster and York.

New York -- Broome, Chenango, Cortland, Delaware, Madison and Otsego.

North Dakota -- Barnes, Cass, Dickey, Griggs, La Moure, Logan, McIntosh, Ransom, Richland, Sargent, Steele, Stutsman and Traill.

Texas -- Brewster, Crockett, Glasscock, Irion, Jeff Davis, Midland, Pecos, Presidio, Reagan, Sterling, Terrell, Tom Green and Upton.

These loans are in addition to the president's \$5.8 billion disaster relief bill that recently passed Congress in which \$2.4 billion was earmarked for agriculture.



Release No. 0693.93

Sean Adams (301) 344-2723

Diane O'Connor (202) 720-4026

BEE FUNGUS LEADS TO NEW CONTROL FOR HONEYBEE DISEASES

WASHINGTON, Aug. 12--Hachiro Shimanuki never thought that one honeybee disease would lead to a cure for another. But that's what he and other U.S. Department of Agriculture scientists discovered by surprise last year.

"We were looking for a natural control for two serious bacterial diseases of bees--and it came from a fungus that causes another, less serious bee disease," said Shimanuki of USDA's Agricultural Research Service. "It was serendipitous, to say the least."

Now, the scientists are filing a patent application on the natural remedy--a common unsaturated fatty acid called linoleic acid produced by the *Ascosphaera apis* fungus that causes honeybee chalkbrood disease, which infects larvae inside the bee hive. Linoleic acid is commonly found in oils from peanuts, corn, soybeans, cottonseed, sunflower and other vegetables.

In laboratory tests at the agency's Beltsville, Md., Agricultural Research Center, the scientists found that linoleic acid from the fungus inhibited the growth of the two bacteria that cause European and American foulbrood diseases. According to the scientists, the linoleic acid poses no harm to the bees and would not harm humans.

"American foulbrood is considered the biggest disease threat to U.S. honeybees, causing an estimated \$8 million in damage each year. "In some states, regulations require beekeepers to destroy colonies infected with the disease," Shimanuki said. "We know losses from European foulbrood and chalkbrood also are substantial, but we don't have a dollar figure for those losses."

He said the two foulbrood diseases are found in all 50 states. Both infect honeybee larvae inside the hive and can kill the bees if left unchecked, he said. The bacterium *Melissococcus pluton* causes European foulbrood; *Bacillus* larvae causes American foulbrood.

Currently in the United States, only the antibiotic oxytetracycline is approved by the U.S. Food and Drug Administration for controlling European and American foulbrood. "We are concerned that these diseases could eventually develop resistance to the antibiotic, so we need new, natural biological controls," Shimanuki said.

He said the surprise discovery of the foulbrood bacteria inhibitor didn't happen overnight, but only after more than a decade of research on New Jersey honeybees showed a curious trend in honeybee diseases.

From the early 1960s to 1988, scientists at the agency's Bee Research Laboratory in Beltsville were studying ways to control European foulbrood in southern New Jersey. The disease was widespread in areas where honeybees were used to pollinate blueberries and cranberries.

During that time, Shimanuki said, researchers also discovered an increase in chalkbrood, which by 1983 had become widespread in southern New Jersey.

"But samples of diseased bees analyzed at our lab showed that, during 1980 to 1990, European foulbrood in bees from New Jersey declined drastically and was hard to find by the late 1980s," he said. "Meanwhile, chalkbrood remained constant in bees from that region."

Further tests confirmed that the *A. Apis* fungus produced a substance that inhibited both types of foulbrood. ARS entomologist Mark F. Feldlaufer, of the Insect Neurobiology and Hormone Lab in Beltsville, later isolated and purified the substance. William R. Lusby, a chemist at that lab, identified it as linoleic acid.

Shimanuki said the inhibitor could be fed to bees either as part of a sugar-water syrup or could be placed in hives in patties along with pollen and other feed supplements.

"A new, natural control for foulbrood diseases would help ensure an adequate supply of honeybees for pollination of important agricultural crops," he said. Nationwide, the value of honeybee pollination ranges from \$1.6 to \$5.7 billion a year, according to a recent study by State University of New York (SUNY) researchers.

Each year, U.S. farmers rent about 1 million bee colonies each year to pollinate a variety of crops such as almonds, apples, alfalfa, apricots, oranges, grapefruits, melons, cucumbers, asparagus and broccoli, the USDA estimates. According to the SUNY study, about 400 agricultural crops worldwide, including 130 in the United States, are pollinated at least partly by honeybees.

The Beltsville research team included Shimanuki, entomologist David A. Knox of the bee lab, Feldlaufer and Lusby.

#

NOTE TO EDITOR: Contact for details Hachiro Shimanuki or David A. Knox, entomologists, Bee Research Laboratory, Beltsville Agricultural Research Center, Agricultural Research Service, USDA, Beltsville, Md. 20705, telephone: (301) 504-8205; or Mark F. Feldlaufer, entomologist, or William R. Lusby, chemist, Insect Neurobiology and Hormone Lab, Beltsville, telephone: (301) 504-8389.

◆ ◆ ◆ ◆ ◆

Release No. 0694.93

Steve Kinsella (202) 720-4623

Ray Bridge (202) 720-5447

USDA RELEASES FIRST SURVEY-BASED 1993 CROP PRODUCTION ESTIMATES

WASHINGTON, Aug. 11--The U.S. Department of Agriculture today released the first survey-based production estimates of 1993 U.S. crops.

Secretary of Agriculture Mike Espy said the survey indicated that floods, excessive rain, drought and other factors are expected to reduce U.S. corn production by 1.1 billion bushels or 13 percent from USDA's June forecast made before the onset of adverse weather. Soybean production is expected to be down 143 million bushels or 7 percent.

"The combination of disastrous flooding and excess rain in the Midwest and devastating drought in the Southeast has made 1993 a difficult year for agriculture. Today's crop report is a national snapshot--a business snapshot --comprised of projections and comparisons, bushels and acres," Espy said.

The USDA's National Agricultural Statistics Service conducted its largest monthly crop production survey ever. In order to account for the flood-affected acres of the Midwest, NASS surveyed over 20,000 farms and farm operators in the nine disaster-affected states alone (Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wisconsin).

The results indicated that 2.6 million acres of corn and soybeans in the nine states were not planted compared with USDA's June acreage survey. In addition, 4.5 million acres of corn and soybeans were planted but lost to excessive rains and floods in the nine states.

The adverse weather is expected to exact a toll on the acres that eventually are harvested this fall. An estimated 23 million acres of corn and soybeans in the nine midwestern states are considered in poor or very poor condition. In the southeastern states of Alabama, Georgia, North Carolina and South Carolina, an estimated 2.8 million acres are in poor or very poor condition.

"Our first full accounting of the weather impact on U.S. agriculture confirms the tremendous damages faced by midwestern and southeastern farmers, Espy said. The \$5.8 billion disaster assistance package to be signed tomorrow by the President will begin to address the losses faced by U.S. farmers."

Espy also indicated that despite the floods, rains and drought, the U.S. food supply is not threatened. Some regions will have excellent crops, crops in storage are ample and global production is expected to be high. "However, I recognize that the macroeconomic view means very little to those who have lost their homes, their crops, and their businesses," Espy said.

◆ ◆ ◆ ◆ ◆

Release No. 0696.93
Steve Kinsella (202) 720-4623

ESPY ANNOUNCES SITES FOR FIELD FORUMS ON FARM INCOME AND AGRICULTURAL POLICY

WASHINGTON, Aug. 13--Secretary of Agriculture Mike Espy today announced the U.S. Department of Agriculture will hold three field forums in September to solicit suggestions on ways to increase farm income and agricultural exports for U.S. farmers and others in the agricultural sector.

"At the first farm income forum earlier this month in Washington, I said that I firmly believe that modern agriculture must stand on two strong legs--a solid domestic farm policy and a solid international trade policy," said Espy. "We gained valuable insights from that forum; now I'm looking forward to hearing from participants from around the country as we work to ensure that American agriculture is confidently positioned for whatever the future brings.

The forums will be Sept. 8 at Arizona State University in Tempe; Sept. 13 at Iowa State University in Ames; and Sept. 30 at North Carolina A&T University in Greensboro. All sessions will begin at 9 a.m. local time and run until 4 p.m.

Each session will have a panel to hear participants' comments. The panel is scheduled to include USDA officials from several agencies as well as the under secretary of agriculture for international affairs and commodity programs.

Individuals who would like to make a presentation are requested to register in advance. To register for the Tempe session, contact the Arizona State ASCS Office, (602) 640-5200, or fax (602) 640-5180. For the Iowa session, contact the Iowa State ASCS Office, (515) 254-1540, or fax (515) 254-1573. For the North Carolina session, contact the North Carolina State ASCS Office, (919) 790-2957, or fax (919) 790-2954.



Release No. 0697.93
Robert Feist (202) 720-6789
Diane O'Connor (202) 720-4026

DEADLINE ON 0/92 EXTENDED FOR PRODUCERS SUFFERING FROM WEATHER DISASTERS

WASHINGTON, Aug. 13--Producers whose 1993 farm program crops have suffered from severe adverse weather conditions will be given until Aug. 31 to decide whether to harvest their crops or destroy them and take advantage of the "0/92" provision of the 1993 wheat and feed grain production adjustment and price support programs, Secretary of Agriculture Mike Espy announced today.

Many fields are still too wet to enter and destroy the crop, Espy said. Today's action allows producers an additional two weeks to decide whether to harvest the crop or to designate the land as 0/92 acreage.

Extending the reporting date through August will also provide the USDA's Agricultural Stabilization and Conservation Service offices additional time to fully inform producers of their options, Espy said.

Declaring the land as 0/92 acreage makes a producer eligible to receive guaranteed deficiency payments on up to 92 percent of a farm's maximum payment acreage.

On Aug. 4, USDA gave producers whose crops had been affected by adverse weather conditions until Aug. 16 to revise their acreage reports and to designate acreages under the 0/92 provisions (USDA Release No. 0663.93).



Program Announcements-

Releases No. 0683.93
Gene Rosera (202) 720-6734
Charles Hobbs (202) 720-4026

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES, MARKETING CERTIFICATE RATES
WASHINGTON, Aug. 10--Under Secretary of Agriculture Eugene Moos today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

--long grain whole kernels:	6.58 cents per pound
--medium grain whole kernels:	5.98 cents per pound
--short grain whole kernels:	5.90 cents per pound
--broken kernels:	3.29 cents per pound

Based upon these milled rice world market prices, loan deficiency payment (LDP) rates, gains from repaying price support loans at the world market price, and marketing certificate rates are:

	Loan Gain and LDP Rate\$/Cwt.....	Marketing Certificate Rate
--for long grain:	\$2.03	\$0.56
--for medium grain:	\$1.84	\$0.52
--for short grain:	\$1.84	\$0.47

These announced prices and rates are effective today at 3 p.m. EDT. The next scheduled price announcement will be made Aug. 17 at 3 p.m. EDT.

◆ ◆ ◆ ◆ ◆

Release No. 0689.93
Bruce Merkle (202) 720-8206
Marci Hilt (202) 720-4026

USDA SUSPENDS PRODUCER ASSESSMENT FOR 1993-CROP WISCONSIN CIGAR TOBACCO

WASHINGTON, Aug. 12--The U.S. Department of Agriculture's Commodity Credit Corporation today announced the suspension of the no-net-cost assessment collection for the 1993-crop of cigar binder (types 54 and 55) tobacco produced in Wisconsin.

No-net-cost assessments are not required for producers of southern and northern Wisconsin, since current funds in the no-net-cost accounts are sufficient to cover anticipated losses. The producer-funded no-net-cost accounts ensure that the price support program for these tobaccos will be operated at no-net-cost to taxpayers, as required by the No-Net-Cost Tobacco Program Act of 1982.

The decision not to collect an assessment was made after consultation with the two producer associations that provide price support with respect to cigar binder tobacco produced in Wisconsin.

Although the no-net-cost assessment is not needed, the Omnibus Budget Reconciliation Act of 1990 stipulates that, for each of the 1991 through 1995 crops of these tobaccos, the producer and purchaser shall each pay a marketing assessment equal to .5 percent of the national price support level on each pound marketed. The 1993 marketing assessment for the tobacco is .537 cent for each producer and purchaser.

◆ ◆ ◆ ◆ ◆

Release No. 0691.93
 Bruce Merkle (202) 720-8206
 Marci Hilt (202) 720-4026

USDA ANNOUNCES PRODUCER ASSESSMENT FOR OHIO CIGAR TOBACCO

WASHINGTON, Aug. 12 -- The U.S. Department of Agriculture's Commodity Credit Corporation today announced a no-net-cost assessment of 107.4 cents per pound for the 1993-crop of Ohio cigar filler (types 42-44) tobacco, the same as for the 1993 crop.

Randy Weber, acting executive vice president of the CCC, said the no-net-cost assessment account, which is funded by producer assessments, is to ensure that the price support program for tobacco will be operated at no net cost to taxpayers, as required by the No-Net-Cost Tobacco Program Act of 1982.

The determination of the amount of this year's no-net-cost assessment is based upon substantial losses which were incurred by CCC in connection with prior crop-year loans.



Release No. 0695.93
 Minnie Tom H. Meyer (202) 720-6734
 Carol Childers (202) 720-4026

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON

WASHINGTON, Aug. 12--Tom VonGarlem, acting executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (leaf grade 4, micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through 3:59 p.m. Thursday, Aug. 19. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, Aug. 13, through midnight Thursday, Aug. 19.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. The maximum allowable adjustment is the difference between the USNE price and the NE price.

A further adjustment to this week's calculated AWP may be made in accordance with this provision. The calculated AWP is 80 percent of the 1993 upland cotton base quality loan rate, and the USNE price exceeds the NE price by 2.10 cents per pound. Following are the relevant calculations:

I.	Calculated AWP	41.87 cents per pound
	1993 Base Loan Rate	52.35 cents per pound
	AWP as a Percent of Loan Rate	80
II.	USNE Price	57.60 cents per pound
	NE Price	- 55.50 cents per pound
	Maximum Adjustment Allowed	2.10 cents per pound

Based on a consideration of the U.S. share of world exports, the current level of cotton export sales and cotton export shipments, and other relevant data, no further adjustment to this week's calculated AWP will be made.

This week's AWP and coarse count adjustment are determined as follows:

Adjusted World Price

NE Price	55.50
Adjustments:	
Avg. U.S. spot market location	11.82
SLM 1-1/16 inch cotton	1.50
Avg. U.S. location	0.31
Sum of Adjustments	- 13.63
Calculated AWP	41.87
Further AWP adjustment	- 0
ADJUSTED WORLD PRICE	41.87 cents/lb.

Coarse Count Adjustment

NE Price	55.50
NE Coarse Count Price	- 51.20
	4.30
Adjustment to SLM 1-1/32 inch cotton	- 3.20
COARSE COUNT ADJUSTMENT	1.10 cents/lb.

Because the AWP is below the 1991, 1992, and 1993 base quality loan rates of 50.77, 52.35, and 52.35 cents per pound, respectively, the loan repayment rate during this period is equal to the AWP, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is below the 1993-crop loan rate, cash loan deficiency payments (LDPs) will be paid to eligible producers who agree to forgo obtaining a price support loan with respect to the 1993 crop. The payment rate is equal to the difference between the loan rate and the AWP. Producers are allowed to obtain an LDP on a bale-by-bale basis.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks and the AWP has not exceeded 130 percent of the 1993 crop year base quality loan rate in any week of the 4-week period. As a result, the user marketing certificate payment rate is 0.85 cents per pound. This rate is applicable for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to September 30, 1994. Relevant data used in determining the user marketing certificate payment rate are summarized below:

Week	For the Friday through Thursday Period Ending	USNE Price	NE Price	USNE minus NE	User Certificate Payment Rate 1/
	
			cents per pound		
1	July 22, 1993	60.90 (f)	57.37 (f)	3.53	2.28
2	July 29, 1993	61.60 (f)	57.31 (f)	4.29	3.04
3	Aug. 5, 1993	59.75	56.45	3.30	2.05
4	Aug. 12, 1993	57.60	55.50	2.10	0.85

1/ USNE price minus NE price minus 1.25 cents.

(f) Based on forward quotations.

Next week's AWP, CCA and user marketing certificate payment rate will be announced on Thursday, Aug. 19.



